



HANTAM MUNISIPALITEIT

Setel	Munisipale kantore		
Calvinia	Brandvlei	Loeriesfontein	Nieuwoudtville
Privaatsak X14	Posbus 12	Privaatsak X01	Posbus 52
Calvinia 8190	Brandvlei 8915	Loeriesfontein 8185	Nieuwoudville 8180
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REVISED BUDGET 2013/2014

Dear Councillors

Due to our cash flow problems and unforeseen expenditure it is necessary to submit a revised budget.

We take note of circular 70 in which National Treasury give guidelines for next year's budget and we try to eliminate non-priority spending in the revised budget. The purchasing of coffee etc. are stopped with immediate effect except for the Mayor's and Municipal Manager's office.

We would also like to bring the budgeting for underfunded mandates like the Traffic Department where we have a deficit of R875 000 under the attention of the council. This deficit put a huge burden on our cash flow and Council must consider the continuation of this service.

Another burden on our cash flow is the legal fees for which we have budgeted R800 000, but due to the settlement agreement we shall receive an amount as a refund for the legal fees. The amount at this stage is uncertain.

Another burden are the penalties that we pay to ESCOM for exceeding our demand and this result in a deficit in the electricity vote.

Municipal Manager and myself have visited National Treasury and there is a possibility that we will receive an amount of R2,2 million that was withheld in the previous year. All the required correspondence were submitted to National Treasury, but no answer have been received to date.

For this reasons above we urge all roleplayers to motivate the consumers to pay their accounts and also to cut the unnecessary expenditure to the minimum.

Kindly find hereunder the changes in the budget of this Municipality.

Municipal Manager

Expenditure

Budget decrease from R1 353 802 to R1 346 486

Councillors

Expenditure

Budget increase from R6 079 198 to R6 821 335.

The proposed increase for the mayor's allowance are 5 percent and the councilor's 7 percent. The cell phone allowance for councilors increase from R1 033 p.m. to R1 656 p.m. The cell phone allowance for the mayor remains unchanged. The increase shall be implemented as soon as the government gazette is received. Approval for implementation must be obtain from the MEC for Local Government.

As the Council have decided to resign from SALGA the budget for the membership fee were decrease from R450 000 to R225 000.

The travelling cost were increase from R320 000 to R400 000 and only R134 000 are available.

Part of the provision for long-service bonus and post retirement are an interest part and the budget for this year are R799 710, but this amount are funded out of the inappropriate surplus. The amount are determine by an actuaries.

INCOME

The budget decreased from R1 568 965 to R1 452 000 as the nett amount of the street carnival is R4 623.

Supply Chain Management

Expenditure

Budget decrease from R435 635 to R420 351

Administration

Expenditure

Budget increase from R2 247 787 to R3 106 068.

Budget for legal fees increase from R25 000 to R800 000.

INCOME

The budget increase from R11 229 105 to R11 536 905.

The budget for interest receive increase from R150 000 to R250 000 and we anticipate an amount of R200 000 refund for legal costs.

Human Resources

Expenditure

Budget increase from R455 604 to R482 411 due the appointment of Mr.Eben Orlam on a one year contract with a salary of R7 000 per month.

IDP Administration

Expenditure

Budget decrease from R401 217 to R399 640

Finance General

Expenditure

Budget decrease from R4 667 342 to R4 593 270

Accountant Revenue

Expenditure

Budget increase from R1 278 875 to R1 292 020.

The budget for Contracted Services increases as Mr.J.Jooste's contract is renew with an increase of 6.84 percent.

INCOME

The budget decrease from R6 505 674 to R6 092 136 as a result of over budgeting of approximately R500 000 for property rates.

Accountant Expenditure

Expenditure

Budget increase from R397 145 to R399 863

Cemeteries

Expenditure

Budget decrease from R165 138 to R161 654.

INCOME

Budget increase from R75 500 to R76 000

Properties/Civil Buildings

Expenditure

Budget decrease from R3 098 620 to R2 939 361.

The salary of the housing official is shift to Administration.

INCOME

The budget decrease from R1 217 700 to R301 879. The main reason is the rental income of the commonage that did not realized due to the approval of the policy. No commercial farmer have tendered for the rental of the commonage.

Nature Reserve

Expenditure

Budget decrease from R254 550 to R229 550.

The budget for purchasing of game is cut and the budget for the repair of buildings are reduced from R30 000 to R15 000.

INCOME

The budget increase from R197 500 to R232 789 due to the increase in the amount received for entrance fees of R55 289.

Sport Grounds

Expenditure

Budget are decreased from R772 149 to R760 410.

INCOME

The budget decrease from R63 300 to R54 575.

Swimming Pool

Expenditure

Budget decrease from R136 965 to R78 065.

Cleaning reduced by R10 000 to R20 000 and the electricity from R40 000 to R10 000.

INCOME

The budget decrease from R30 000 to R20 000 as only R4 613 are receive to the end of December 2013.

Aerodrome

Expenditure

No change to the budget of R140 420.

Caravan Park

Expenditure

Budget decrease from R66 040 to R54 150

INCOME

The budget of R25 000 remains unchanged,

Streets

Expenditure

Budget decrease from R3 728 893 to R3 466 886.

The salary budget decreased from R1 668 433 to R1 561 046 as no vacant post were filled and the implementing of the EPWP project.

The budget for cultivating works are increased from R80 000 to R180 000 and the budget for material are decreased from R450 000 to R200 000.

INCOME

The budget increase from R300 000 to R303 869.

Water

Expenditure

Budget decrease from R7 813 885 to R7 707 755.

Budget for salaries increases from R3 020 386 to R3 120 915 due to bonuses paid to contract workers and salaries for new appointments.

The cost for the purifying of water are reduced from R600 000 to R450 000 as a new type of chloor are used.

The budget for purchasing of water are increase from R6 000 to R96 000 due to the water crisis in Loeriesfontein.

INCOME

The budget decrease from R8 062 672 to R7 920 532 as there is a decrease anticipated in the sale of water which decreased from R2 638 610 to R2 400 000.

Electricity

Expenditure

The budget increase from R22 953 491 to R24 666 167.

The main reason are the purchased of electricity which increase from R15 274 810 to R17 533 950. This actual amount could be less if we can increase our demand and the penalties are resolved.

The salary budget decrease from R2 151 343 to R1 840 351 as the post for the extra electrician is not filled.

INCOME

The budget increase from R23 057 385 to R23 374 725. The main reason is the conversion to pre-paid meters. 71 percent of the budget of R3 658 270 was reached at the end of December 2013.

Waste Water/Sanitation

Expenditure

Budget decrease from R4 336 180 to R3 775 900.

The budget for salaries decreased from R1 980 897 to R1 679 328. This is due to over budgeting in Sanitation and under budgeting in Waste Management/Refuse.

INCOME

The budget increase from R5 193 550 to R6 470 270 due to the R100 levy charge that are implemented.

Libraries

Expenditure

Budget decreased from R2 120 796 to R2 101 595.

The budget for repairs of the buildings are reduced from R70 000 to R50 000.

INCOME

The budget decrease from R577 280 to R573 750.

Environmental Health

Expenditure

Budget increased from R160 096 to R184 002.

The salary budget increased from R120 271 to R150 177 due to allocation of a portion of the 25 percent acting allowance paid.

INCOME

The budget decrease from R36 000 to R22 300 as only R22 000 are anticipated for building plan fees.

Waste Management/Refuse

Expenditure

The budget increase from R6 015 361 to R6 594 628.

The budget for salaries increase from R3 580 872 to R4 129 932 due to under budgeting and new appointments.

The budget for securities increased from R160 000 to R360 000 due to bonuses paid and only one vote for all the securities.

INCOME

The budget increase from R5 820 217 to R5 958 715 due to the new connections made.

Civil Defence
Expenditure

Budget increased from R67 685 to R81 685.

Due to the fire that occurred in Nieuwoudtville the budget for the disaster vote increase from R10 000 to R30 000.

Traffic Department
Expenditure

Budget increased from R2 254 315 to R2 312 214.

The budget for salaries increased from R1 566 274 to R1 676 539 due to bonuses paid for contract workers and a portion of the acting allowance paid to the Head of the Department.

INCOME

The budget decrease from R1 454 600 to R1 437 200 as a result of the few fines that were received.

Mayor A.F.Fritz